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REMARKS

*B.A. - pls send cc of evening memo
only to D/OO, D/OS, + D/OC.
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FPMR (41 CFR) 101-11.206

* GPO : 1981 O - 341-529 (120)

DDA

The Director of Central Intelligence

Washington, D.C. 20505

Executive Registry

82-12034/1

25 October 1982

DD/A Registry

82-2555

The Honorable William P. Clark
Assistant to the President for
National Security Affairs
The White House
Washington, D.C. 20500

1-1

Dear Bill:

I write this to follow up on the President's indication, in his recent letter to me, that he would like me to discuss with you how we can respond to the recommendations contained in PFIAB's initial report to him.

Anne Armstrong has provided us with the specifics of the comments and criticisms of the approximately 30 current and past U.S. officials interviewed over a seven-month period. I enclose a copy of a letter expressing our appreciation and outlining steps already taken and the additional ones planned to improve the quality of analysis and improve policymaker understanding of the Intelligence Community. For the first time in close to a decade, the scope of the analytical and estimative program now reasonably matches the scope of the issues and problems faced by the policy community. To illustrate, national estimates dwindled from an annual average of 51 in the late 60s to 33 in the early 70s and all the way down to an annual average of 12 in the 6 years from 1975 through 1980. During 1981 we did 38 national estimates and we will do 60 or more during 1982.

Under NSC auspices we have completed a comprehensive review of the hostile intelligence and the additional capabilities with which to deal. The implementation of those recommendations is proceeding in an IG on counterintelligence and an IG on countermeasures. In the meantime, as you know we have been pressing for additional FBI agents in the 1983 budget and CIA plans the deployment of full-time case officers as rapidly as possible to regional and country assignments overseas. The IG-CI will soon have recommendations on the desirability of possible measures on the level of hostile and travel restrictions. NSA has briefed PFIAB on its net assessment of action against [redacted] in the U.S.

82-2555

We are working to assist PFIAB in developing an independent assessment on the Soviet economy under the auspices of the Department of Commerce supported by outside experts. In addition, CIA economists will support Allen Wallis, the new Under Secretary of State for Economic Affairs, to make a net assessment of trade with the Soviet Union on their economy and ours which Secretary Shultz has asked him to do. This is likely to involve an evaluation of our work on the Soviet economy by Dr. Wallis and his colleagues who have high economic competence.

Secretary Shultz, Secretary Weinberger, and I have met with Johnny Foster's arms control committee. I found the recommendations made in their letter to the President both innovative and sound and we either have or will implement most of those relating to verification.

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25X1 I have redirected the SAFE program which had bogged down badly after some seven years and many millions of dollars. Shifting to proven technology and enlisting software, we are now scheduled to have 300 analysts on line with a first-stage system in 1983. I have engaged [] to critique this redirection and will have their report shortly.

The system in the SIG-I under NSC auspices which has prevailed for ten years for an annual consumer formulation of key intelligence topics had become quite static and sterile. We will now have a quarterly review of intelligence products produced on the key topics and, at the same time, specify additional analysis and collection required.

You are familiar with the efforts being made to tighten Cocom and reduce technology loss.

Yours,



William J. Casey

Enclosure

cc: Chairman, President's Foreign Intelligence
Advisory Board

O/DCI w/partial enclosures

DDCI " "

EXDIR " "

DDI " "

DDA " "

D/ICS " "

Executive Registry w/All Enclosures

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Central Intelligence Agency



Washington, D.C. 20505

DDI - 806811-82

8 OCT 1982

Ambassador Anne Armstrong
Chairman, President's Foreign Intelligence
Advisory Board
Old Executive Office Building
Washington, D.C. 20500

Dear Anne:

Thank you for providing to me Sy Weiss' report on his meetings with a number of policymakers concerning their perceptions of the intelligence support they are receiving. I found what they had to say both encouraging and dismaying. It was encouraging because their concerns and complaints so closely paralleled the problems that I perceived when I arrived here, a perception which has served as the foundation for a number of organizational and policy changes. I am dismayed because we have apparently not made as much progress as I would have hoped in conveying the significance of these changes to many policy people and they in turn appear not to have paid close enough attention to detect a number of the changes that have been made.

25X1 With respect to many of the concerns expressed, I believe that the attachments that I am forwarding with this letter will confirm that we have been aware of the shortcomings in our work and have acted to redress them over the last year or so. First, I would call your attention to the text (Tab A) of remarks which Bob Gates delivered to [redacted] in his first week as DDI last January. I think you will find it a startlingly candid appraisal of problems with Agency analysis — the first time the analysts had ever been told some of these things. Beyond a lecture on the shortcomings, however, it offers a concrete program to begin addressing many of the concerns noted by those to whom Sy talked. This includes our need for better insight into how the policy process works and how intelligence is used in that process, the need for longer term research that looks beyond near term developments, the need for a much more aggressive program of soliciting the views of experts on the outside, and a number of others. The second attachment is a copy of the revamped research program for 1982 put together this last spring. You will see that it presents a program reflecting for the first time the new capabilities afforded by the

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reorganization of the DDI a year ago and translating Bob's references on his January speech into a concrete program of longer range research on key issues of policy relevance over the next number of years. This is the first long range, directorate wide research program in the history of the Agency. It is a first effort and both Bob and I expect it to be even better in 1983. The program is at Tab B.

The third attachment that I would bring to your attention is a list of the NIEs and SNIEs published in the last year (Tab C). I think that this list conveys important changes in the way estimates have been produced in the Community. First, we have published several times more Community estimates in the last year than in any preceding period for a generation. Second, many of these estimates are relatively short, were prepared in a brief period of time and are highly policy relevant. Finally, any review of these estimates would see that the conclusions -- and particularly differences of view -- are more sharply highlighted than in the past. In sum, I believe that we have made substantial progress in making the Community estimative program much more useful to the policy community. By way of example, the SNIE on the Soviet Gas Pipeline in Perspective was read by virtually every principal who participated in the NSC meeting on this subject.

As I noted above, I am a little disappointed that the scope of these changes is not yet perceived by some of our policy users. I believe there are two causes for this. First, our dialogue with policymakers tends to be very issue oriented. When the DDI office directors and NIOs talk with policymakers -- which is very frequently -- it generally relates to specific requirements or issues and often does not get at the larger question of overall intelligence support or how it could be improved. Second, I believe many policymakers do not understand or know how intelligence is organized, who the right person is to call on various problems, or the extent of longer range intelligence research and analysis already completed or underway. There is another aspect of the problem: the difficulty of getting "negative feedback" from policymakers at the Assistant Secretary level and above.

To overcome these problems, we have taken several steps. First, I have renewed the charge to the National Intelligence Officers to use their frequent meetings with their policy community contacts to maintain a dialogue about consumer views of the Intelligence Community. Next, because the major portion of the intelligence analysis comes from the Directorate of Intelligence in CIA, Bob Gates has asked all of his office directors to establish a regular meeting with their substantive interlocutors at State, NSC and DoD that is not driven by issues but instead will provide an opportunity to review the overall level and quality of support on a routine basis. Second, we need to move quickly to reach new appointees both during an administration and at the beginning of an administration to explain to them intelligence organization, where they can go for help and to let them in on work and research of interest to them that already has been completed. (To this end, we have begun preparing bibliographies of intelligence research on longer range problems by region -- three examples are at Tab D).

Sy's report has brought home to us that the frequent, issue-driven contacts between our substantive managers and policy officials have not provided an adequate vehicle to discuss policy needs and analytical support/quality. Accordingly, Bob Gates now is visiting a number of the people interviewed by Sy to encourage them to meet every two or three weeks with the appropriate DDI office directors and NIOs for this purpose. Bob also is stressing to them the importance of providing their candid comments and criticisms so that we can make our work more relevant and useful to them. He also has provided them with both the research program and the bibliographies so that they can be aware that considerable long range work is in fact underway or has already been completed and is potentially of great value to them.

As I mentioned in my first letter to you on this subject, we have been making a number of changes here at CIA in the way we do analysis that are intended to improve substantially the quality of support for the American policymaker. It is important to all of us here to be aware of criticisms and concern about our analysis so that we can make it more useful, timely and relevant for the user. Your help in providing the comments of those interviewed by Ambassador Weiss is helpful in that regard and I appreciate it. I hope that the above comments and the attachments to this letter will be shared widely with the members of the PFIAB so that they too may have greater understanding of the efforts we are making here.

Sincerely,

/s/ Bill

William J. Casey
Director of Central Intelligence

Attachments:

- Tab A - Speech
- Tab B - DDI Research Program
- Tab C - Listing of NIEs and SNIEs
- Tab D - Bibliographies (3)

All Portions of the Above Letter
are Classified SECRET.

SECRET

7 January 1982

REMARKS TO DDI ANALYSTS AND MANAGERS

I want to thank you for coming today and giving me an opportunity to describe to you directly my views on the Directorate of Intelligence and its work and the steps that the Director, Admiral Inman, and I have agreed would be helpful to improve its capabilities and the quality of its work.

Let me say at the outset, for those of you who do not know me, that I come from the analytical ranks. I began as an analyst in the Office of Current Intelligence and remained basically an analyst until I first went to the NSC Staff early in 1974. So I understand your problems and your perspective.

--I too have tried to cope with vague or ambiguous instructions.

--I have had drafts I sweated over sit in a branch or division chief's in-box for days or weeks.

--I have been pulled off of research to fight current fires.

--I have tried to write analysis knowing full well policymakers and sometimes my own leaders had and were not sharing information essential to my work.

--I too had to prove myself again and again to a rapid succession of branch and division chiefs.

--I saw first-rate work produced under adverse circumstances.

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Directorate of
Intelligence

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Part I

Part II

The DDI Research Program for 1982 (U)

Secret

DI 82-10016
April 1982

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B

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October 1982

Interagency Intelligence Estimates Produced from 1 October 1981 - 30 September 1982

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Directorate of
Intelligence

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USSR: A Bibliography of Intelligence Publications (U)

1 January 1980-31 December 1981

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DI 82-10023
August 1982

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Secret

Global Issues: A Bibliography of Intelligence Publications (U)

1 January 1980-30 December 1981

Secret

DI 82-10028
May 1982

Copy 0668



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Secret

Middle East-South Asia: A Bibliography of Intelligence Publications (U)

1 January 1980-31 December 1981

Secret

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DI 82-40007
April 1982

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